

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

GE HFS HOLDINGS, INC., f/k/a)
HELLER HEALTHCARE FINANCE,)
INC.,)
)
Plaintiff,)
)
And)
)
MICHAEL INGOLDSBY,)
)
Intervenor/Plaintiff,)
)
v.)
)
NATIONAL UNION FIRE)
INSURANCE COMPANY OF)
PITTSBURGH, PA., and)
INTERNATIONAL INSURANCE)
GROUP, LTD.,)
)
Defendants.)

Civil Action No. 05-CV-11128-NG

STATUS REPORT

Pursuant to the Court's October 17, 2006 Electronic Order that Plaintiff GE HFS Holdings, Inc., formerly known as Heller Healthcare Finance, Inc. ("GE HFS") and Defendant National Union Fire Insurance Company of Pittsburgh, PA. ("National Union") file Status Reports on October 30, 2006, National Union submits this Status Report regarding the status of the claims by GE HFS and states as follows.

1. On September 29, 2006, GE HFS and National Union executed a Confidential Settlement, Release and Limited Indemnity Agreement (the "Settlement Agreement"). The Settlement Agreement resolved all claims by GE HFS against National Union with respect to the instant action.

2. Within approximately two weeks of execution of the Settlement Agreement, Sullivan & Worcester LLP as counsel for GE HFS received a check issued by National Union in the full Settlement Amount. Unfortunately, due to a clerical error, the check mistakenly had been made payable to the insured under National Union's policy, "Managed Health Care Systems," instead of "Sullivan & Worcester LLP, attorneys for GE HFS Holdings, Inc."

3. In order for a replacement check payable to Sullivan & Worcester LLP to be issued, the original check had to be returned. National Union received the original check back on or about October 16, 2006.

4. According to National Union's computer records, approximately a week later, on October 24, 2006, a replacement check payable to Sullivan & Worcester LLP was processed. National Union's records indicate that the replacement check is made payable to "Sullivan & Worcester LLP, attorneys for GE HFS Holdings, Inc." and was sent last week to Gayle P. Ehrlich, Esq. at Sullivan & Worcester LLP, One Post Office Square, Boston, Massachusetts 02109.

5. National Union has no control over the United States Postal Service, but this replacement check should be received by Ms. Ehrlich either today October 30, 2006 or tomorrow, October 31, 2006.

Dated: October 30, 2006

NATIONAL UNION FIRE INSURANCE
COMPANY OF PITTSBURGH, PA
By its attorneys,

/s/ John D. Hughes

John D. Hughes (BBO# 243660)
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CERTIFICATE OF SERVICE

I, Steven D. Morris, hereby certify that on this 30th day of October, 2006, that the Status Report, which was electronically filed through the ECF system, will be sent electronically to all attorneys of record for Plaintiffs GE HFS Holdings, Inc., f/k/a Heller Healthcare Finance, Inc. and Michael Ingoldsby on October 30, 2006.

/s/ Steven D. Morris

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